# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL MEMORANDUM

HB 2813 – SB 3431

April 28, 2010

SUMMARY OF AMENDMENTS (015157, 015787, 016723): Amendment 015157 states effective July 1, 2010, prohibits a judge from imposing sentencing alternatives of continuous confinement in a local jail or the Department of Correction (DOC) when sentencing a defendant convicted of a non-violent property offense as defined in the bill. Authorizes a judge to sentence the defendant to community corrections, probation, pre-trial diversion, or judicial diversion. If the sentencing court determines the defendant has multiple convictions and is not a suitable candidate for community corrections, probation, pre-trial diversion, or judicial diversion, the defendant may be sentenced to a period of continuous confinement. If the offender is also convicted of another felony offense, the defendant may be sentenced to a period of continuous confinement. Requires an offender convicted of the Class B felony offense of aggravated robbery to serve 89 percent of the sentence imposed by the court less sentence reduction credits earned and retained. No sentence reduction credits shall reduce the sentence imposed by the court by more than 15 percent.

Amendment 015787 states the offenses of criminal simulation, shoplifting and passing forged checks applies when the amount taken is less than \$1,000.

Amendment 016723 requires an offender convicted of the following offenses to serve 90 percent of the sentence imposed by the court less sentence credits earned and retained: attempted first degree murder, conspiracy to commit first degree murder, aggravated vehicular homicide, acts of terrorism, computer crimes in connection with act of terrorism, vehicular homicide involving intoxication, trafficking for sexual servitude, carjacking, violations involving weapons of mass destruction, providing material support to person committing act of terrorism, arson of a place of worship, especially aggravated burglary, initiating process to result in manufacture of methamphetamine, criminal exposure of another to HIV, trafficking in forced labor, soliciting minor to engage in Class B sexual offense, aggravated burglary, incest, bribing a juror, intentionally facilitating or permitting escape from penal institution, especially aggravated stalking, sexual exploitation of a minor involving more than 50 images, reckless aggravated assault, vehicular assault, reckless homicide, extortion, introduction of escape implements into penal institutions, civil rights intimidation, reckless endangerment involving deadly weapon, criminally negligent homicide, bestiality, attempt to procure criminal miscarriage, unlawful use of aborted fetus, violating airport security with intent to commit a felony, aggravated stalking, and carrying weapons during judicial proceedings. Imposes an additional fine of \$2,500 for persons convicted of a Class A or Class B felony. Requires the proceeds from the additional fines to be used to defray the incarceration costs.

#### FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$19,124,100/Incarceration\* \$999,900/Board of Probation and Parole

Decrease State Expenditures - \$10,289,400

### FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase State Revenue – Not Significant
Increase State Expenditures - \$16,997,400/Incarceration\*
\$999,900/Board of Probation and Parole

Decrease State Expenditures - \$10,289,400

Assumptions applied to amendments:

- According to DOC, there has been an average of 1,012 admissions for the non-violent property offenses defined in the bill in each of the past 10 years. The average for each offense used in the estimation of this fiscal note is as follows: 380 admissions for forgery offenses less than \$1,000 under Tenn. Code Ann. § 39-14-114; 16 admissions for criminal simulation under Tenn. Code Ann. § 39-14-115; one admission for felony theft of services under Tenn. Code Ann. § 39-14-104 where the amount of theft is less than \$1,000; two admissions for felony fraudulent use of a credit card under Tenn. Code Ann. § 39-14-118 where the amount of theft is less than \$1,000; 329 admissions for felony theft of property under Tenn. Code Ann. § 39-14-103 where the amount of theft is less than \$1,000; 10 admissions for attempted theft of property under Tenn. Code Ann. §§ 39-12-101 and 39-14-103 where the amount of the attempted theft is at least \$1,000 but less than \$10,000; five admissions for facilitating the theft of property under §§ 39-11-403 and 39-14-103 where the amount of the property is at least \$1,000 but less than \$10,000; 29 admissions for felony vandalism under Tenn. Code Ann. § 39-14-108 where the amount of vandalism is less than \$1,000; 34 admissions for attempted burglary other than a habitation under §§ 39-12-101 and 39-14-402(a)(1), (a)(2), or (a)(3); 210 admissions for burglary of an auto under § 39-14-402(a)(4); and nine admissions for burning personal property under Tenn. Code Ann. § 39-14-303.
- The proposed bill diverts the number of non-violent offenders admitted for these offenses to the Community Corrections Supervision Program rather than incarceration in state custody.
- The 10-year average number of admissions (1,012) for these offenses will be reduced in two areas. In order to avoid double-counting these offenders, the total admissions (1,012) for these offenses are reduced by 15 percent (152) to account for offenders targeted under the joint reduction plan and are not included in the fiscal impact of this bill. DOC estimates 25 percent (253) of the total admissions (1,012) would be convicted

- of an offense other than the non-violent property offenses specified in the bill and would be sentenced to continuous confinement. Those offenders would not be included in the offenders being diverted as a result of this bill.
- There would be a total of 607 offenders (1,012 152 253) diverted from local jails to the Community Corrections Program. According to BOPP, the average daily cost of this program is \$4.51 per day per offender. This cost includes the cost of offender supervision, treatment services, and operations. BOPP estimates an increase in state expenditures of \$999,897.44 (\$4.51 x 365.25 days x 607 offenders).
- DOC reimburses local jails at an average cost of \$46.61 per day per offender. There would be a reduction in state expenditures from the state prosecution account of \$10,289,410.27 (\$46.41 x 365.25 days x 607 offenders) as a result of diverting these offenders and transferring some other offenders currently housed in local jails to state prisons to replace the offenders being diverted from prison to community corrections.
- The Class B felony of aggravated robbery is defined as robbery accomplished with a deadly weapon or display of any article used to lead the victim reasonably to believe it is a deadly weapon, or where the victim suffers serious bodily injury.
- According to DOC, there has been an average of 669 admissions for aggravated robbery in each of the past 10 years.
- According to the U. S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected population growth of 11.78 percent over the next 10 years. Population growth will result in an additional 71 offenders in the tenth year. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on 740 offenders.
- According to DOC, 40 percent of offenders will re-offend within two years of their release. A recidivism rate of 40 percent has been applied to this estimate to account for the impact of offenders who would re-offend under current law within the additional time added by this bill. It is assumed that the re-offender would have committed the subsequent offense at the same felony level as under current law (740 offenders x 40 % recidivism discount = 296 offenders).
- According to DOC, the average operating cost per offender per day for calendar year 2010 is \$59.86.
- According to DOC, the average length of sentence for an offender convicted of aggravated robbery in FY09 was 9.38 years and the average post-conviction time served by offenders being released in FY09 was 6.01 years. Seventy-four percent of the average length of sentence would be 6.94 years. These 444 (740 296) offenders would serve an additional 0.93 years (an increase from 6.01 to 6.94 years) as a result of this bill. The cost per offender at 6.01 years is \$131,401.68 (\$59.86 x 2,195.15 days). The cost per offender at 6.94 years is \$151,735.52 (\$59.86 x 2,534.84 days). The additional cost of increasing the average sentence length from 6.01 to 6.94 years is \$20,333.84 (\$151,735.52 \$131,401.68). The total additional cost for 444 offenders is \$9,028,224.96 (444 x \$20,333.84).
- According to DOC, there has been an average of 35 admissions for the Class A felony offense of attempted first degree murder in each of the past 10 years.
- According to the U. S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected population growth of 11.78 percent over the next 10 years. Population growth will result in an additional four

- offenders in the tenth year. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on 39 offenders.
- According to DOC, 46.4 percent of offenders will re-offend within three years of their release. A recidivism rate of 46.4 percent has been applied to this estimate to account for the impact of offenders who would re-offend under current law within the additional time added by this bill. It is assumed that the re-offender would have committed the subsequent offense at the same felony level as under current law (39 offenders x 46.4 % recidivism discount = 18 offenders).
- According to DOC, the average length of sentence for an offender convicted of attempted first degree murder in FY09 was 18.26 years and the average post-conviction time served by offenders being released in FY09 was 10.16 years. Seventy-five percent of the average length of sentence would be 13.70 years. These 21 (39 18) offenders would serve an additional 3.54 years (an increase from 10.16 to 13.70 years) as a result of this bill. The cost per offender at 10.16 years is \$222,136.87 (\$59.86 x 3,710.94 days). The cost per offender at 13.70 years is \$299,535.25 (\$59.86 x 5,003.93 days). The additional cost of increasing the average sentence length from 10.16 to 13.70 years is \$77,398.38 (\$299,535.25 \$222,136.87). The total additional cost for 21 offenders is \$1,625,365.98 (21 x \$77,398.38).
- According to DOC, there has been an average of six admissions for the Class A felony offense of aggravated vehicular homicide in each of the past 10 years. Population growth will result in one additional offender in the tenth year. The maximum cost in the tenth year is based on seven offenders. Applying a recidivism rate of 46.4 percent will result in four (7 3) offenders. The average length of sentence for an offender convicted of aggravated vehicular homicide in FY09 was 19.00 years and the average post-conviction time served by offenders being released in FY09 was 8.39 years. Seventy-five percent of the average length of sentence would be 14.25 years. These four offenders would serve an additional 5.86 years (an increase from 8.39 to 14.25 years). The cost per offender at 8.39 years is \$183,437.98 (\$59.86 x 3,064.45 days). The cost per offender at 14.25 years is \$311,559.93 (\$59.86 x 5,204.81 days). The additional cost of increasing the average sentence length is \$128,121.95 (\$311,559.93 \$183,437.98). The total additional cost for four offenders is \$512,487.80 (\$128,121.95 x 4).
- According to DOC, there has been an average of 34 admissions for the Class B felony offense of vehicular homicide involving intoxication in each of the past 10 years. Population growth will result in four additional offenders in the tenth year. The maximum cost in the tenth year is based on 38 offenders. Applying a recidivism rate of 40 percent will result in 23 (38 15) offenders. The average length of sentence for an offender convicted of vehicular homicide involving intoxication in FY09 was 9.23 years and the average post-conviction time served by offenders being released in FY09 was 4.56 years. Seventy-five percent of the average length of sentence would be 6.92 years. These 23 offenders would serve an additional 2.36 years (an increase from 4.56 to 6.92 years). The cost per offender at 4.56 years is \$99,699.22 (\$59.86 x 1,665.54 days). The cost per offender at 6.92 years is \$151,297.95 (\$59.86 x 2,527.53 days). The additional cost of increasing the average sentence length is \$51,598.73 (\$151,297.95 \$99,699.22). The total additional cost for 23 offenders is \$1,186,770.79 (\$51,598.73 x 23).
- According to DOC, there has been an average of 26 admissions for the Class B felony offense of carjacking in each of the past 10 years. Population growth will result in three

additional offenders in the tenth year. The maximum cost in the tenth year is based on 29 offenders. Applying a recidivism rate of 46.4 percent will result in 16 (29 – 13). The average length of sentence for an offender convicted of carjacking in FY09 was 9.11 years and the average post-conviction time served by offenders being released in FY09 was 3.77 years. Seventy-five percent of the average length of sentence would be 6.83 years. These 16 offenders would serve an additional 3.06 years (an increase from 3.77 to 6.83 years). The cost per offender at 3.77 years is \$82,426.62 (\$59.86 x 1,376.99 days). The cost per offender at 6.83 years is \$149,330.35 (\$59.86 x 2,494.66 days). The additional cost of increasing the average sentence length is \$66,903.73 (\$149,330.35 - \$82,426.62). The total additional cost for 16 offenders is \$1,070,459.68 (\$66,903.73 x 16).

- According to DOC, there has been an average of eight admissions for the Class B felony offense of especially aggravated burglary in each of the past 10 years. The average length of sentence for an offender convicted of especially aggravated burglary in FY09 was 9.20 years and the average post-conviction time served by offenders being released in FY09 was 7.20 years. Seventy-five percent of the average length of sentence would be 6.90 years. No additional incarceration costs for these offenses as these offenders are already serving more than 75 percent.
- According to DOC, there has been an average of three admissions for the Class C felony offense of criminal exposure of another to HIV in each of the past 10 years. The average length of sentence for an offender convicted of criminal exposure of another to HIV in FY09 was 4.20 years and the average post-conviction time served by offenders being released in FY09 was 4.33 years. Seventy-five percent of the average length of sentence would be 3.15 years. No additional incarceration costs for these offenses as these offenders are already serving more than 75 percent.
- According to DOC, there has been an average of three admissions for the Class B felony offense of soliciting a minor to engage in a Class B sexual offense in each of the past 10 years. Population growth will not result in additional offenders during this period. The maximum cost in the tenth year is based on three offenders. No recidivism discount has been applied since the length of the additional sentence is not sufficient for any reoffenders to serve additional time in the prison system under current law within the time added by this bill. The average length of sentence for an offender convicted of soliciting a minor to engage in a Class B sexual offense in FY09 was 8.00 years and the average post-conviction time served by offenders being released in FY09 was 5.63 years. Seventy-five percent of the average length of sentence would be 6.00 years. These three offenders would serve an additional 0.37 years (an increase from 5.63 to 6.00 years). The cost per offender at 5.63 years is \$123,093.71 (\$59.86 x 2,056.36 days). The cost per offender at 6.00 years is \$131,183.19 (\$59.86 x 2,191.50 days). The additional cost of increasing the average sentence length is \$8,089.48 (\$131,183.19 \$123,093.71). The total additional cost for three offenders is \$24,268.44 (\$8,089.48 x 3).
- According to DOC, there has been an average of 1,178 admissions for the Class C felony offense of aggravated burglary in each of the past 10 years. The average length of sentence for an offender convicted of aggravated burglary in FY09 was 4.30 years and the average post-conviction time served by offenders being released in FY09 was 3.90 years. Seventy-five percent of the average length of sentence would be 3.23 years. No

- additional incarceration costs for these offenses as these offenders are already serving more than 75 percent.
- According to DOC, there has been an average of 14 admissions for the Class C felony offense of incest in each of the past 10 years. Population growth will result in one additional offender in the tenth year. The maximum cost in the tenth year is based on 15 offenders. Applying a recidivism rate of 40 percent will result in nine (15 6) offenders. The average length of sentence for an offender convicted of incest in FY09 was 4.56 years and the average post-conviction time served by offenders being released in FY09 was 1.10 years. Seventy-five percent of the average length of sentence would be 3.42 years. These nine offenders would serve an additional 2.32 years (an increase from 1.10 to 3.42 years). The cost per offender at 1.10 years is \$24,050.55 (\$59.86 x 401.78 days). The cost per offender at 3.42 years is \$74,774.72 (\$59.86 x 1,249.16 days). The additional cost of increasing the average sentence length is \$50,724.17 (\$74,774.72 \$24,050.55). The total additional cost for nine offenders is \$456,517.53 (\$50,724.17 x 9).
- According to DOC, there has been an average of one admission every three years for the Class C felony offense of intentionally facilitating or permitting escape from a penal institution. The average length of sentence for an offender convicted of intentionally facilitating or permitting escape from a penal institution in FY09 was 3.00 years and the average post-conviction time served by offenders being released in FY09 was 4.70 years. Seventy-five percent of the average length of sentence would be 2.25 years. No additional incarceration costs for these offenses as these offenders are already serving more than 75 percent.
- According to DOC, there has been an average of one admission every three years for the Class C felony offense of especially aggravated stalking. Population growth will not result in additional offenders during this period. The maximum cost in the tenth year is based on one additional offender every three years. No recidivism discount has been applied since the length of the additional sentence is not sufficient for any re-offenders to serve additional time in the prison system under current law within the time added by this bill. The average length of sentence for an offender convicted of especially aggravated stalking in FY09 was 5.00 years and the average post-conviction time served by offenders being released in FY09 was 3.26 years. Seventy-five percent of the average length of sentence would be 3.75 years. These offenders would serve an additional 0.49 years (an increase from 3.26 to 3.75 years). The cost per offender at 3.26 years is \$71,276.50 (\$59.86 x 1,190.72 days). The cost per offender at 3.75 years is \$81,989.64 (\$59.86 x 1,369.69 days). The additional cost of increasing the average sentence length is \$10,713.14 (\$81,989.64 \$71,276.50). The annualized cost per offender is \$3,535.34 (0.33 annual number of convictions x \$10,713.14).
- According to DOC, there has been an average of one admission every two years for the Class C felony offense of sexual exploitation of a minor involving more than 50 images. Population growth will not result in additional offenders during this period. The maximum cost in the tenth year is based on one additional offender every two years. No recidivism discount has been applied since the length of the additional sentence is not sufficient for any re-offenders to serve additional time in the prison system under current law within the time added by this bill. The average length of sentence for an offender convicted of sexual exploitation of a minor involving more than 50 images in FY09 was

- 4.50 years and the average post-conviction time served by offenders being released in FY09 was 3.26 years. Seventy-five percent of the average length of sentence would be 3.38 years. These offenders would serve an additional 0.12 years (an increase from 3.26 to 3.38 years). The cost per offender at 3.26 years is \$71,276.50 (\$59.86 x 1,190.72 days). The cost per offender at 3.38 years is \$73,900.16 (\$59.86 x 1,234.55 days). The additional cost of increasing the average sentence length is \$2,623.66 (\$73,900.16 \$71,276.50). The annualized cost per offender is \$1,311.83 (0.50 annual number of convictions x \$2,623.66).
- According to DOC, there has been an average of 131 admissions for the Class D felony offense of reckless aggravated assault in each of the past 10 years. Population growth will result in 14 additional offenders in the tenth year. The maximum cost in the tenth year is based on 145 offenders. No recidivism discount has been applied since the length of the additional sentence is not sufficient for any re-offenders to serve additional time in the prison system under current law within the time added by this bill. The average length of sentence for an offender convicted of reckless aggravated assault in FY09 was 2.71 years and the average post-conviction time served by offenders being released in FY09 was 1.27 years. Seventy-five percent of the average length of sentence would be 2.03 years. These 145 offenders would serve an additional 0.76 years (an increase from 1.27 to 2.03 years). The cost per offender at 1.27 years is \$27,767.26 (\$59.86 x 463.87 days). The cost per offender at 2.03 years is \$44,383.80 (\$59.86 x 741.46 days). The additional cost of increasing the average sentence length is \$16,616.54 (\$44,383.80 \$27,767.26). The total additional cost for 145 offenders is \$2,409,398.30 (\$16,616.54 x 145).
- According to DOC, there has been an average of 36 admissions for the Class D felony offense of vehicular assault in each of the past 10 years. Population growth will result in four additional offenders in the tenth year. The maximum cost in the tenth year is based on 40 offenders. No recidivism discount has been applied since the length of the additional sentence is not sufficient for any re-offenders to serve additional time in the prison system under current law within the time added by this bill. The average length of sentence for an offender convicted of vehicular assault in FY09 was 3.13 years and the average post-conviction time served by offenders being released in FY09 was 2.23 years. Seventy-five percent of the average length of sentence would be 2.35 years. These 40 offenders would serve an additional 0.12 years (an increase from 2.23 to 2.35 years). The cost per offender at 2.23 years is \$48,756.57 (\$59.86 x 814.51 days). The cost per offender at 2.35 years is \$51,380.23 (\$59.86 x 858.34 days). The additional cost of increasing the average sentence length is \$2,623.66 (\$51,380.23 \$48,756.57). The total additional cost for 40 offenders is \$104,946.40 (\$2,623.66 x 40).
- According to DOC, there has been an average of 19 admissions for the Class D felony offense of reckless homicide in each of the past 10 years. Population growth will result in two additional offenders in the tenth year. The maximum cost in the tenth year is based on 21 offenders. Applying a recidivism rate of 40 percent will result in 13 (21 8) offenders. The average length of sentence for an offender convicted of reckless homicide in FY09 was 5.07 years and the average post-conviction time served by offenders being released in FY09 was 1.92 years. Seventy-five percent of the average length of sentence would be 3.80 years. These 13 offenders would serve an additional 1.88 years (an increase from 1.92 to 3.80 years). The cost per offender at 1.92 years is \$41,978.62

- (\$59.86 x 701.28 days). The cost per offender at 3.80 years is \$83,082.69 (\$59.86 x 1,387.95 days). The additional cost of increasing the average sentence length is \$41,104.07 (\$83,082.69 \$41,978.62). The total additional cost for 13 offenders is \$534,352.91 (\$41,104.07 x 13).
- According to DOC, there has been an average of three admissions for the Class D felony offense of extortion in each of the past 10 years. Population growth will not result in additional offenders during this period. The maximum cost in the tenth year is based on three offenders. No recidivism discount has been applied since the length of the additional sentence is not sufficient for any re-offenders to serve additional time in the prison system under current law within the time added by this bill. The average length of sentence for an offender convicted of extortion in FY09 was 2.58 years and the average post-conviction time served by offenders being released in FY09 was 1.60 years. Seventy-five percent of the average length of sentence would be 1.94 years. These three offenders would serve an additional 0.34 years (an increase from 1.60 to 1.94 years). The cost per offender at 1.60 years is \$34,982.18 (\$59.86 x 584.40 days). The cost per offender at 1.94 years is \$42,416.20 (\$59.86 x 708.59 days). The additional cost of increasing the average sentence length is \$7,434.02 (\$42,416.20 \$34,982.18). The total additional cost for three offenders is \$22,302.06 (\$7,434.02 x 3).
- According to DOC, there has been an average of 151 admissions for the Class E felony offense of reckless endangerment involving a deadly weapon in each of the past 10 years. The average length of sentence for an offender convicted of reckless endangerment involving a deadly weapon in FY09 was 1.64 years and the average post-conviction time served by offenders being released in FY09 was 1.72 years. Seventy-five percent of the average length of sentence would be 1.23 years. No additional incarceration costs for these offenses as these offenders are already serving more than 75 percent.
- According to DOC, there has been an average of nine admissions for the Class E felony offense of criminal negligent homicide in each of the past 10 years. The average length of sentence for an offender convicted of criminal negligent homicide in FY09 was 1.30 years and the average post-conviction time served by offenders being released in FY09 was 1.03 years. Seventy-five percent of the average length of sentence would be 0.98 years. No additional incarceration costs for these offenses as these offenders are already serving more than 75 percent.
- According to DOC, there has been an average of one admission for the Class E felony offense of aggravated stalking in each of the past 10 years. Population growth will not result in additional offenders during this period. The maximum cost in the tenth year is based on one offender. No recidivism discount has been applied since the length of the additional sentence is not sufficient for any re-offenders to serve additional time in the prison system under current law within the time added by this bill. The average length of sentence for an offender convicted of aggravated stalking in FY09 was 1.80 years and the average post-conviction time served by offenders being released in FY09 was 0.55 years. Seventy-five percent of the average length of sentence would be 1.35 years. One offender would serve an additional 0.80 years (an increase from 0.55 to 1.35 years). The cost per offender at 0.55 years is \$12,025.28 (\$59.86 x 200.89 days). The cost per offender at 1.35 years is \$29,516.37 (\$59.86 x 493.09 days). The additional cost of increasing the average sentence length is \$17,491.09 (\$29,516.37 \$12,025.28).

- The total additional incarceration cost is \$16,997,433.11(\$9,028,224.96 + \$1,625,365.98 + \$512,487.80 + \$1,186,770.79 + \$1,070,459.68 + \$24,268.44 + \$456,517.53 + \$3,535.34 + \$1,311.83 + \$2,409,398.30 + \$104,946.40 + \$534,352.91 + \$22,302.06 + \$17,491.09).
- Based on the Fiscal Review Committee's 2008 study of incarceration costs and fines, collection of fines for felony offenders is negligible. There will not be a significant increase in state revenue as a result.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

/lsc

<sup>\*</sup>Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.